

31 December 1980

MEMORANDUM FOR: Mr. Bruce C. Clarke, Jr.  
DD/NFA

FROM: Lincoln Gordon  
Member, Senior Review Panel

SUBJECT: Adjustment to an Altered NSC-State Relationship

1. During 12 years of National Security Adviser prominence in foreign policy formation, it appears that NFAC has become accustomed to regarding the NSC Staff as the principal customer for a substantial proportion of the intelligence analysis output. Although the pudding still has to be eaten, we are given to understand that Mr. Allen's role will involve a smaller staff and lower profile--more akin to the Bobby Cutler relationship to Eisenhower and Dulles than the Kissinger-Brzezinski (or even the Bundy-Rostow) arrangements. If leadership in foreign policy formation is genuinely to be shifted to the Department of State, different relationships and perhaps different art forms may be in order.

2. On the central issues of strategic and conventional force relationships to the Soviet Union and their implications for arms control, defense budget, and related matters, the present kinds of analysis and presentation are probably adequate. Changes are needed in the less well defined fields where political, economic, military, and structural-social factors are intertwined. There are many examples; a few occurring off-hand are policy toward Nicaragua and El Salvador; Iran/Iraq; economic and political summitry with our principal allies; nuclear proliferation; southern Africa; Libya; the Horn; India/Pakistan; oil market prospects and bargaining with OPEC individually or collectively; food export policies; debt rescheduling.

3. On those kinds of issues, it would seem desirable to work out a closer association between intelligence analysis, on the one hand, and the definition and assessment of policy options, on the other. Any new arrangement, however, should continue to distinguish the two functions and to avoid the biasing of the intelligence analysis by commitment to a selected line of policy.

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4. One device for that purpose might be a new form of policy paper on major foreign policy issues. It would contain a clearly identified section of intelligence analysis, which would be drafted and coordinated under NIO guidance in the same manner as a NIE or SNIE, while the definition and recommended selection of policy options would be framed by or under the coordinating leadership of the State Department. The scope, concepts, and outline for each paper would be worked out jointly.

5. The purpose of this arrangement would be (a) to ensure that there is timely intelligence analysis covering the full ground relevant to policy formation, and (b) to ensure that the policymakers have the full benefit of relevant intelligence analysis at the time they are making decisions. The clearly demarcated responsibilities are (i) analysis of the environment, which is an intelligence function, and (ii) decision on a course of action, which is a policy function. Between these two lies a borderline area in which the division of function would have to be worked out in practical experimentation, although the guiding principle is that definition of options, as well as choice among them, belongs to the policymaker, while assessment of the consequences of each option belongs to the intelligence analyst.

6. If there is merit in this line of thought, it should probably be given consideration at an early stage by Messrs. Casey, Haig, and Allen.

  
Lincoln Gordon